Q3 2025 presentation

24 October 2025

INSTALCO

This is Instalco

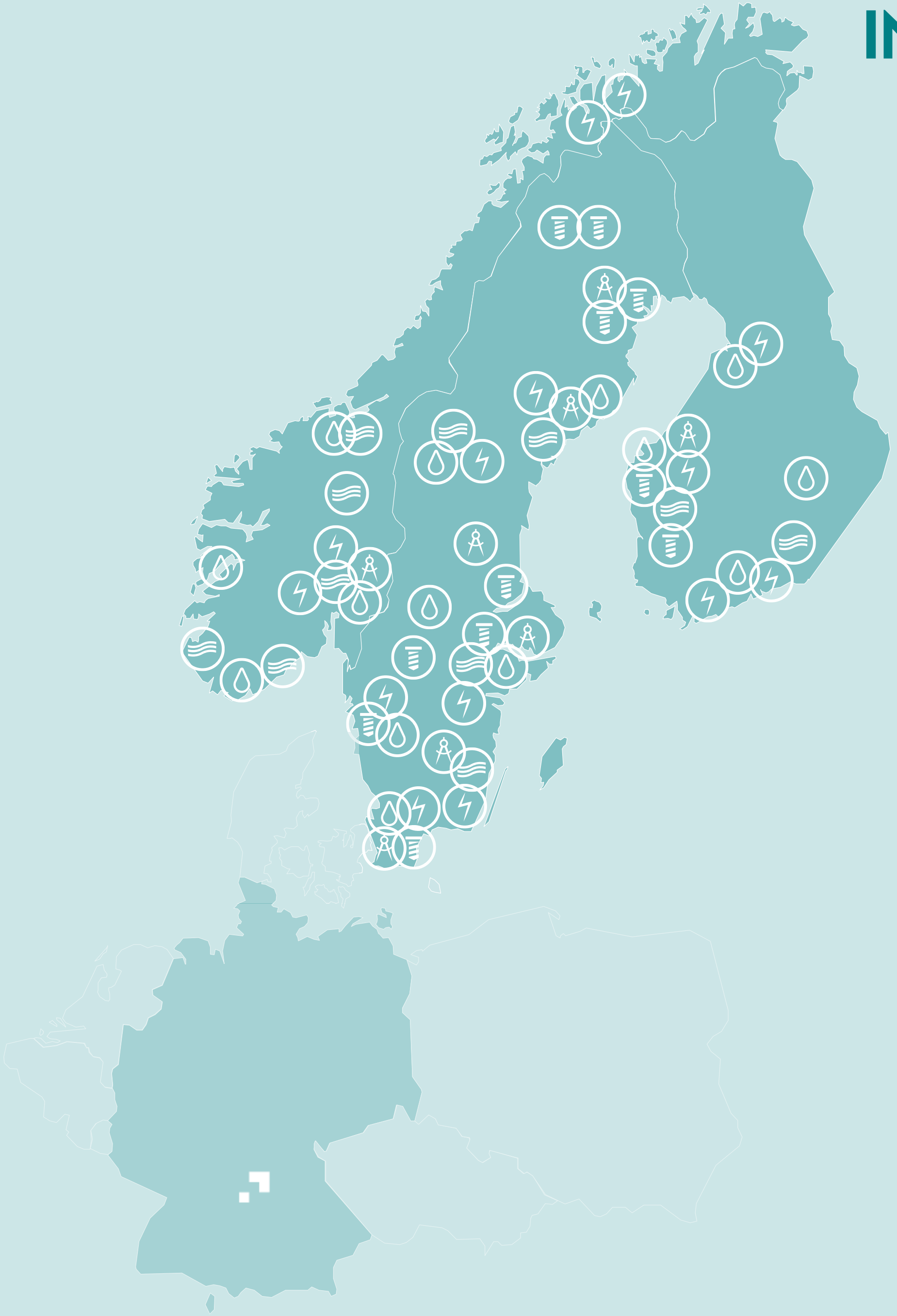
A leading northern European group within heating and plumbing, electricity, ventilation, industry and technical consulting

Project planning, installation, service and maintenance of systems installed at properties and facilities

Highly decentralised structure – specialised local companies

>6,000 employees

Driving the green transformation – strong underlying market drivers



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Key financials, LTM

Net sales, million SEK

13,442

Order backlog, million SEK

9,026

EBITA adj., million SEK

863

EBITA adj. margin, %

6.4

Cash flow from operations, million SEK

1,030

Service share of revenue, %, quarter

37

Quarterly summary

- Financial development not good enough
- Margin improvement our highest priority
- Strong operational cash flow
- New country-based organization
- Updated operational model leading us to Instalco 2.0

Key financials Q3 2025

Net sales

SEK **3,028** million

EBITA

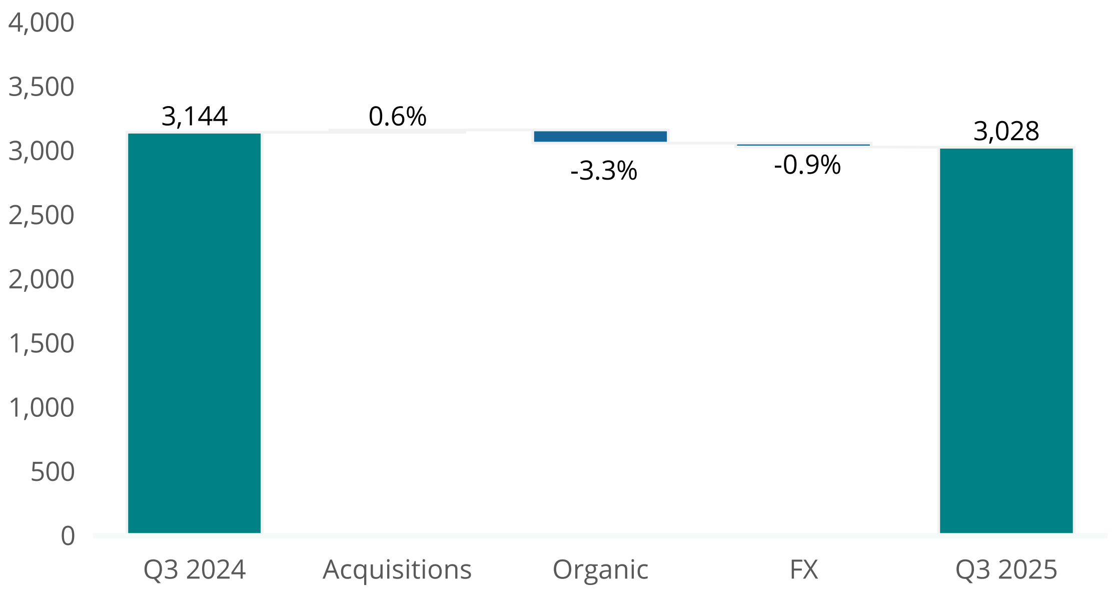
SEK **180** million

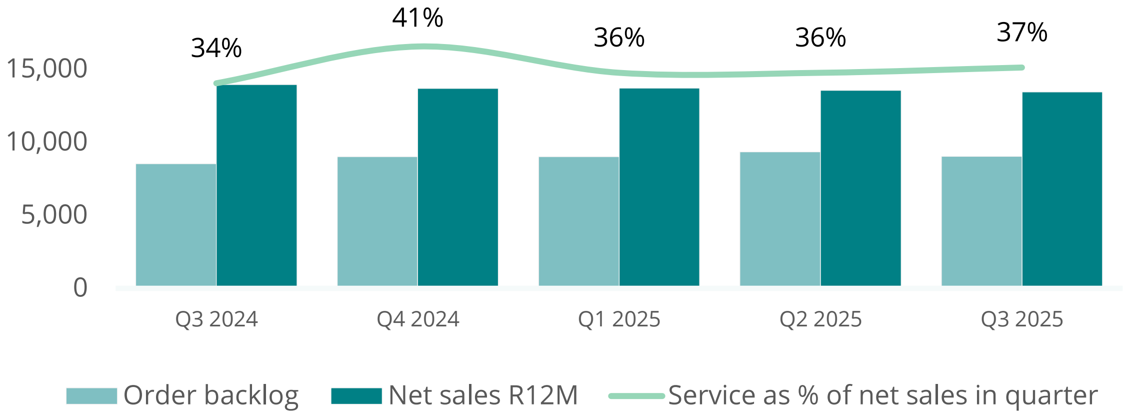
EBITA margin

6.0 %

Net sales and order backlog (SEK million)

- Net sales development of -3.7% to SEK 3,028 (3,144) million
- Organic development -3.3% (-5.0), acquired growth contributed 0.6%, FX impact of -0.9%
- Order backlog growth of 5.8%, 6.4% organically, driven by Norway
- Service, not included in order backlog, made up 37% of sales in the quarter





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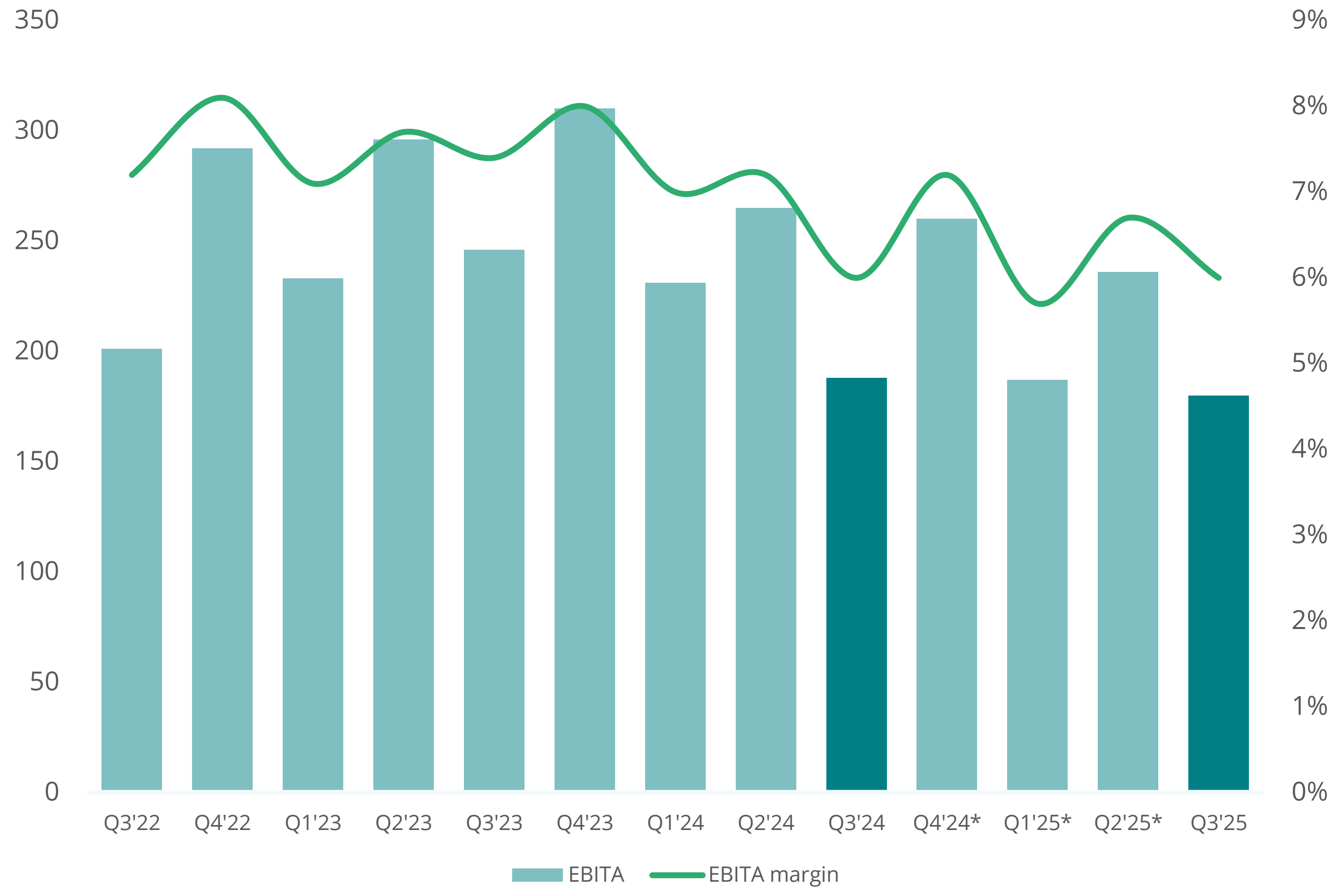
EBITA development (SEK million and margin %)

- EBITA amounted to SEK 180 (188) million
- EBITA margin of 6.0% (6.0) – in line with last year



**Adjusted for Items affecting comparability:*
Q4’24: SEKm 65
Q1’25: SEKm 64
Q2’25: SEKm 11

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Segment Sweden

- Net sales amounted to SEK 2,060 (2,166) million
  - Organic development -5.7%
  - Acquired growth of 0.8%
- EBITA amounted to SEK 106 (119) million, corresponding to a margin of 5.1% (5.5)

Key financials Q3 2025

Net sales

SEK **2,060** million

EBITA

SEK **106** million

EBITA margin

5.1 %

Order backlog

SEK **6,293** million

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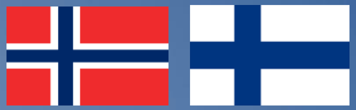
Segment Rest of Nordics



- Net sales amounted to SEK 968 (978) million
  - Organic growth of 2.2%
  - Acquired growth of 0.1%
- EBITA amounted to SEK 75 (68) million, corresponding to a margin of 7.7% (6.9)

Key financials Q3 2025

Net sales

SEK **968** million

EBITA

SEK **75** million

EBITA margin

7.7 %

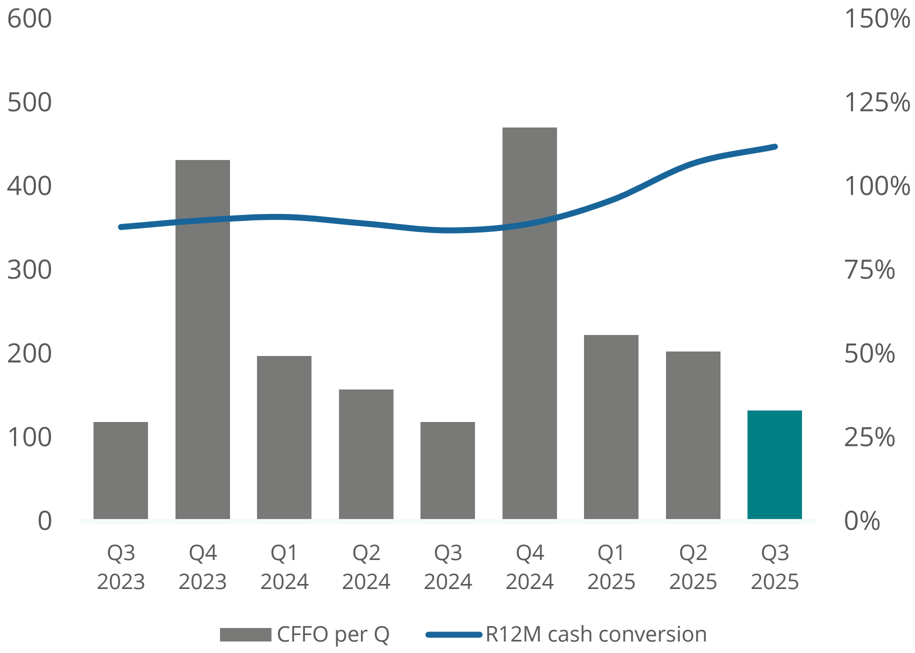
Order backlog

SEK **2,733** million

Cash generation (SEK million)

- High cash flow from operations despite the lower earnings, almost all components of working capital improved
- Expected outflows related to e.g. minority buy-backs
- Working capital remains a focus area for all subsidiaries

SEKm	Q3 2025	Q3 2024
EBITDA	282	297
Change in net working capital	-60	-86
Cash flow from operating activities (CFFO)	**133**	**119**
Cash conversion (R12M)	*112%*	*87%*
Cash flow from investing activities	-91	-87
Cash flow from financing activities	-413	-84
Cash flow for the period	**67**	**122**



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Strategic targets

Growth

≥10%

Average sales growth should be at least 10% per year over a business cycle. Growth will take place both organically and through acquisitions

Profitability

8%

Instalco aims to deliver an EBITA margin of 8.0%

Cash conversion

100%

Instalco aims to achieve a cash conversion ratio of 100%, measured over a rolling twelve-month period over a business cycle

Capital structure (Net Debt/EBITDA)

2.5x

Instalco's net debt in relation to EBITDA shall not exceed a ratio of 2.5

Dividend policy

30%

Instalco targets a dividend payout ratio of 30% of net profit

Climate target

50%

Reduction of GHG emission intensity in Scope 1 and 2 by 2030, with 2020 as base year

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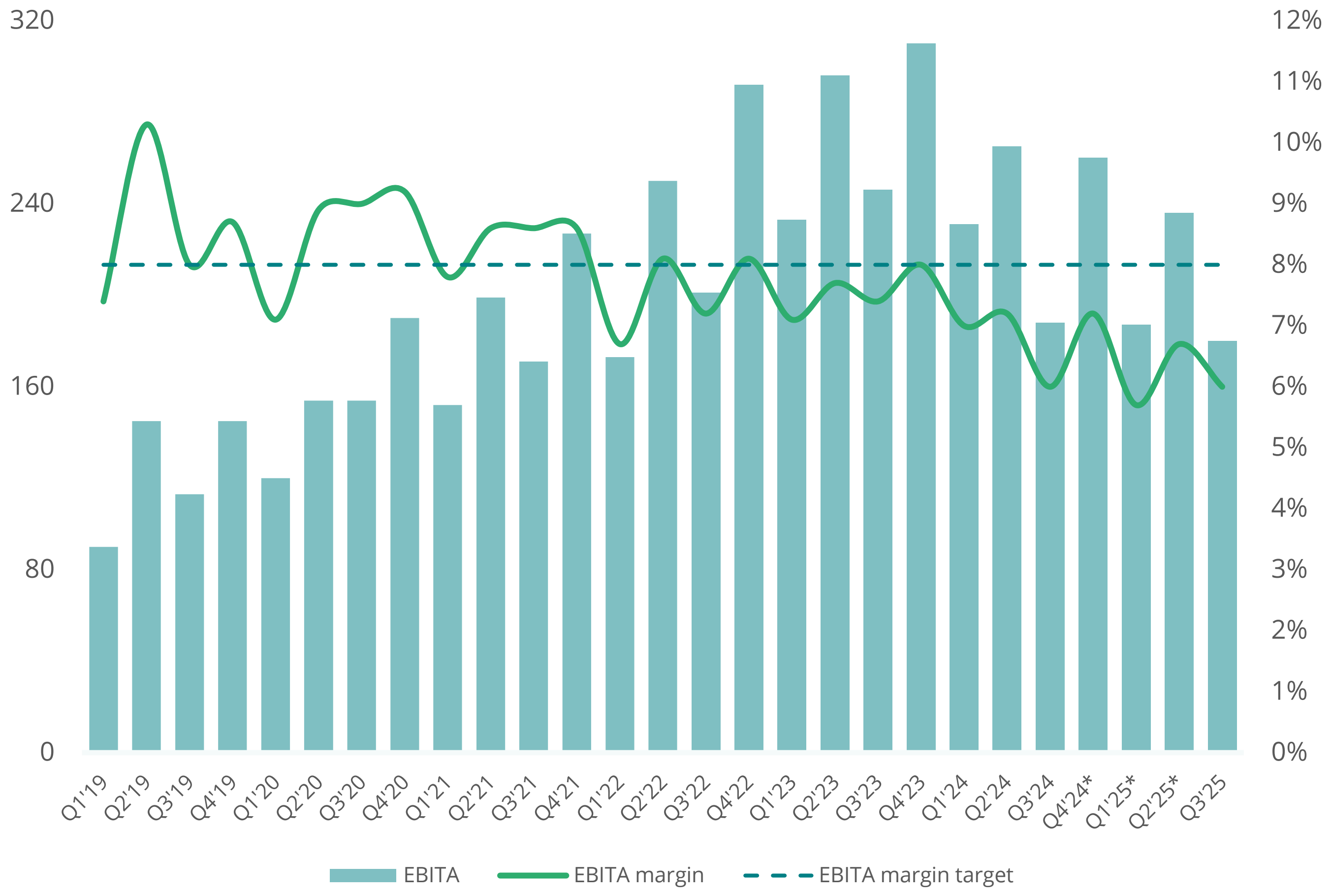
ACQUISITIONS

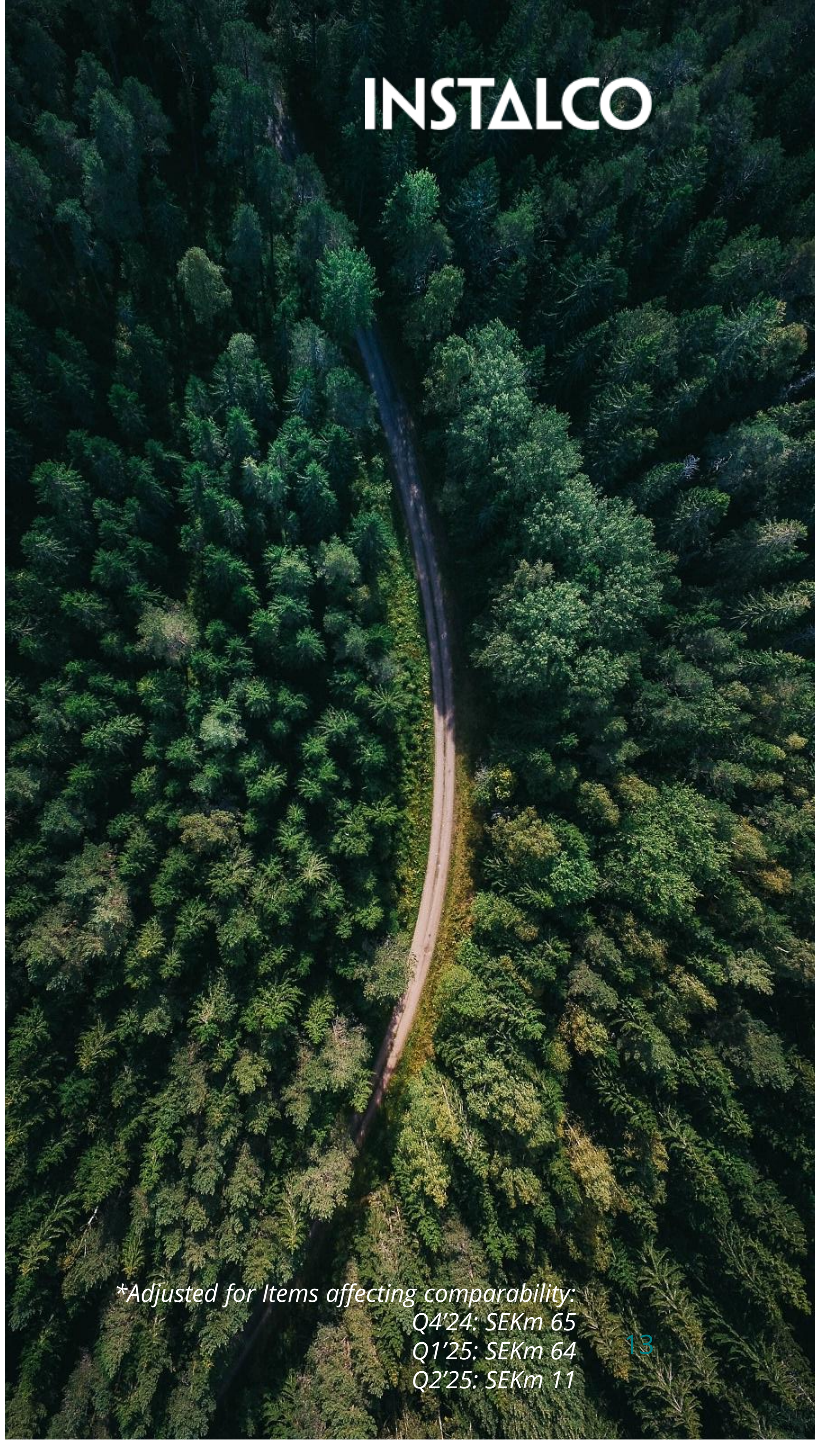
Fabri keeps expanding in Germany with three new acquisitions

	Company	Location	No. of employees	Est. Sales (EURm)
1	*I&H Elektrotechnik-Meisterbetrieb GmbH*	Wermelskirchen	26	
2	*Adolf Kindler GmbH*	Gärtringen	30	
3	*Geuppert Elektrotechnik GmbH & Co.KG*	Hofheim	43	
	Total		**99**	**18.7**

CEO’s theme
Instalco 2.0

Our road back to best in class





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Returning to proven, historical margin levels with a hands-on approach

Short-term objective

Improve EBITA-margin & increase resilience

Focus areas

Firmly address underperforming business units	• While the majority of our business units are performing well, we have areas and units with challenges • Challenges have increased in the current market conditions • Actions taken up until now have not given satisfying results, and we must therefore increase our efforts
Operational efficiency	• The primary focus for Instalco has for a long time been growth, but we now need to shift focus to operational excellence • We are going to re-design our operational model to make sure it supports our objectives in the most efficient way • We need an operational model that can drive strong cash management, productivity, resilience and clear accountability
Organizational capabilities	• We are a service organization, and we are decentralized, our value creation is fully dependent on our people • We need to secure that our organization has the capabilities it needs at all levels to deliver on our objectives

Firmly address underperforming business units

Joint baseline and tailored support

Operational excellence

High

Leaders
Best-practice execution and strong leadership

Established
Solid operations with some improvement potential

Developing
Inconsistent execution and follow-up, but with potential

Needs support
Lacks structure, requires active guidance

Low

Financial result

High

Top performer
Strong performance, margins and cash flow

Solid
Stable results in line with expectations

Underperforming
Margins below target, mixed results

Challenged
Weak or negative results, action needed

Low

The baseline

Different types of support

Low

High

Sounding-boards

Mentors

GoGr8

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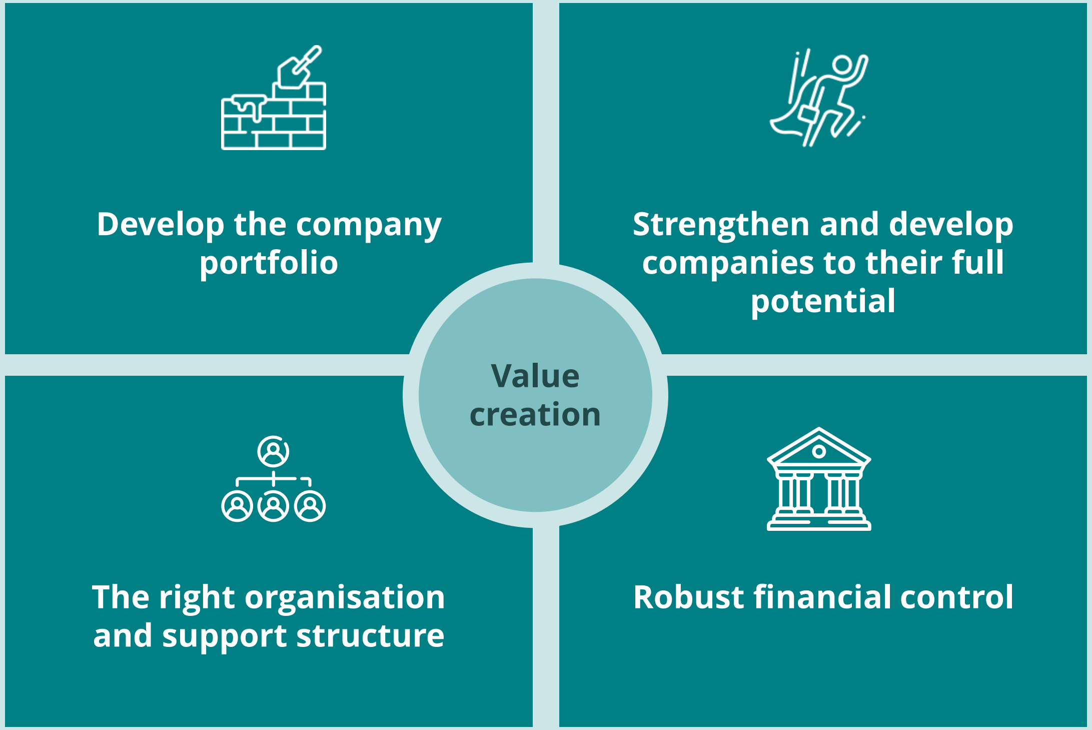
Operational efficiency

Reviewing our operational model

Guidelines in our work:

- Maintain decentralised responsibility and clarify the division of responsibilities
- Safeguard the “entrepreneurial spirit” and local self-determination as far as possible – we believe in the power of this
- Efficiency and financial goals trump decentralised decision-making
- Working methods towards companies that are adaptable to the situation and conditions – not “one size fits all”, but clear on what is non-negotiable
- Dynamic insofar as it is effective in both economic upturns and downturns and allows us to grow with the model
- Simple, but not oversimplified – so that it is clear to everyone



Our value creation is ultimately done in each subsidiary – but it is through Instalco’s operational model that we control the companies' model, which is why we must start there.

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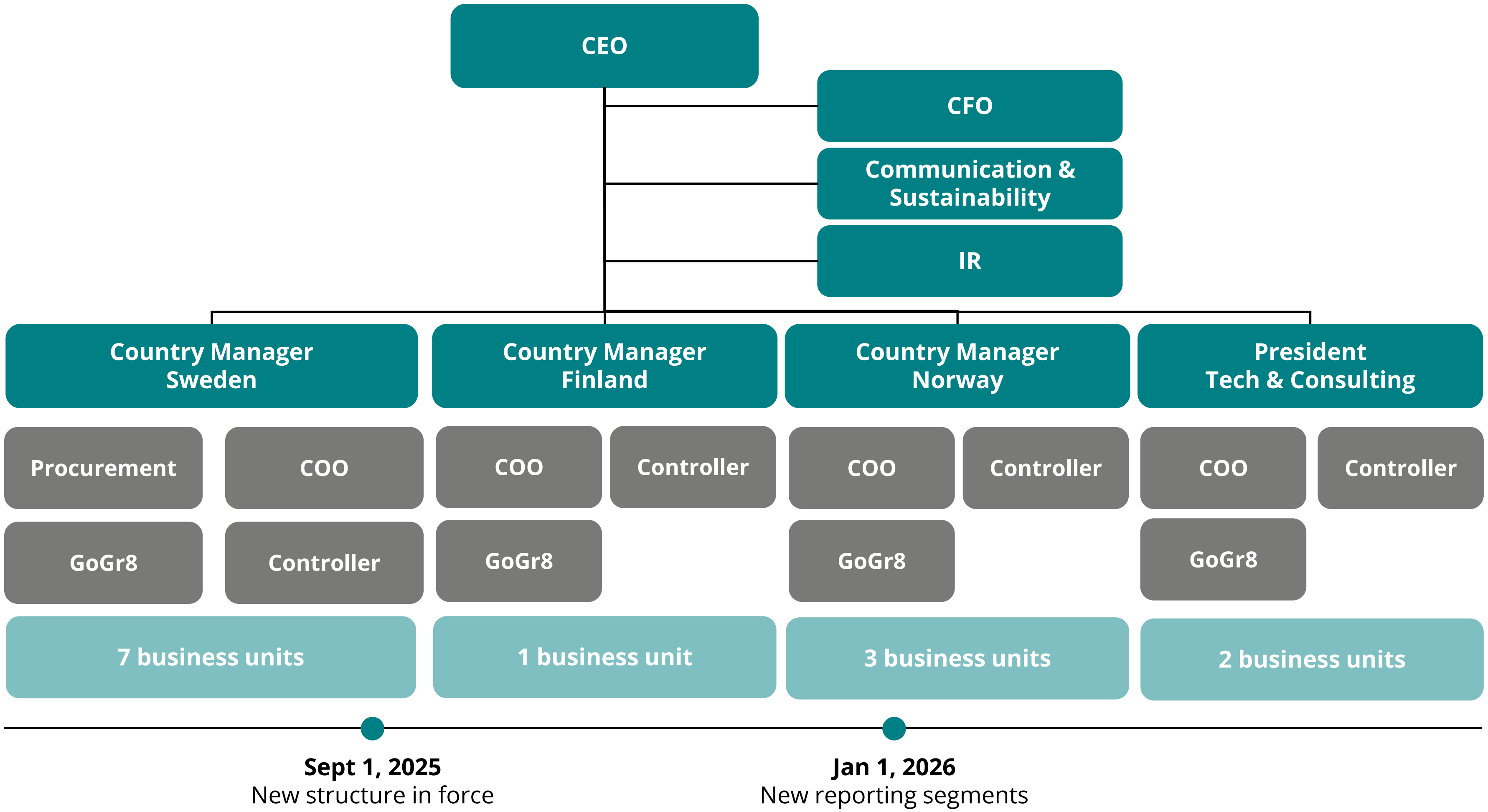
Organizational capabilities

New, country-based organisation for clearer accountability



- Sharper governance & follow-up
- Improved profitability potential
- Closer to customers

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Decentralised and disciplined

What stays:

- Local leadership and ownership
- Subsidiary autonomy in execution

What changes:

- Clear expectations and accountability
- Shared tools and structured performance management

Entrepreneurial spirit is intact — but margin accountability is non-negotiable

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Summary

- Seasonality and market pressure visible in the numbers – market activity has picked up
- Margin the No1 priority, closely followed by working capital management
- Continued strong operational cash flow
- Service and backlog continue to grow
- German platform expanded further, now comprising 20 local companies
- New country-based organisation and refined operational model our way forward

Q&A

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Full power installations from a powerful team